

City of Minneapolis
Financial Status Report as of 3rd Quarter 2005
Prepared by the
City of Minneapolis Finance Department
November 28, 2005

THE REPORT

The report consists of two sections. The first section of the report includes the Business line review. The second section includes detailed schedules and analysis of the results of individual funds thru September 30, 2005.

BUSINESS LINE REVIEW

The City's business activities are accounted for in funds and these funds are divided into two major groupings: Governmental funds and Proprietary funds.

Governmental Funds

Governmental Funds account for services and goods provided within the government and are primarily supported either directly or indirectly by taxes. These groupings include General fund, Special Revenue Funds, Capital Projects, Debt Services, and Agency funds. Governmental funds use the modified accrual basis of accounting to record transactions.

The **General Fund** is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund began 2005 with a fund balance of \$61.4 million and an operating budget of \$291 million. The operating budget included \$5 million for unfunded pension obligations avoiding the need to issue additional debt and incur interest costs. Additionally, the City Council re-appropriated an additional \$14.5 million for pension debt reduction and various one-time expenses for One-Call, One-Stop and other departmental initiatives. The City is projected to end the year with a fund balance of \$43.5 million, which is well within the stated fund balance requirement of 10% of current years' revenue. Additionally, the projected fund balance is within the Finance Departments *recommendation* to maintain a 15% balance in the fund until the Internal Service Funds solvency is restored. General Fund spending, as a whole, is at 68% through 3d quarter, compared to 75% of the year elapsed. All departments, except for the Police Department are expected to end the year within its spending authority. The reason for Police overspending is compensatory time payouts, and non-budgeted expenses related to Hurricane Katrina, Downtown Safe Zone and the Stop-on-Red program. Revenue is projected to end the year at 101% of budget. *Franchise Fees* and *Fines* are expected to exceed budgeted amounts by 18% and 6% respectively while *Charges for Service* will fall short of expectations by 8%.

The **Convention Center Fund** accounts for the operating activities of the Convention Center and for the City's sales tax and other related taxes. All of the tax revenue received by the Convention Center is used to support the Convention Center's capital and operating activities except the entertainment tax. The entertainment tax revenue is transferred to the City's General Fund and Arena Reserve Fund.

The Convention Center's 2005 operating budget planned for a loss of \$3.6 million; however, third quarter results and an updated forecast projects a gain of \$1.4 million. The majority of the recovery is better than expected (\$3.1 million) sales, entertainment and lodging tax revenues and a reduction to operating expenses.

Grant Funds are used to record grant related activities. Fund 0300 represents all of the federal grant activity. Fund 0400 captures the Housing and Urban Development grants for community development and housing related programs. This fund includes the Community Development

Water Utility Fund accounts for the operation and maintenance of a water delivery system for the City and several suburban city customers. The Water Fund had a \$.12 rate increase in 2005. In addition, the fund issued a refund to the Joint Water Commission of \$3.4 million in accordance with a new contract negotiated with the consortium. Like the Sewer Funds, a decrease in water consumption has resulted in lower than expected revenues and expenses. This fund is also expected to have positive financial results at year-end.

Parking Fund accounts for the operation and maintenance of parking ramps, lots, on street parking meters, a municipal impound lot, and traffic/parking control. Prior to 2001, revenue performance had been better than budgeted, but since September 2002, revenue has dropped. This is primarily due to economic conditions, high office vacancy rates, and increasing transfers to other funds. In June 2004, the City Council adopted a financial and operational workout plan for the Parking Services Fund that is expected to restore the funds' solvency by 2010. Revenues are tracking \$2 million lower than planned, primarily in off-street parking and in the collection of unpaid tow and storage fees. Expenses are projected to be \$.5 million less than planned primarily because business plan initiatives requiring upfront expenditures have been implemented more slowly.

Internal Service Funds remain one of the largest financial challenges for the City of Minneapolis. An overview of the Internal Service Funds follows:

Internal Service Funds (In Thousands) 2005 Budget to Actual through 9-30-05 (Incl. Depreciation)						
Fund	Revenue Budget	Revenue Actual	% of Actual to Budget	Expense Budget	Expense Actual	% of Actual to Budget
Engineering, Mat, and Testing	3,600	2,496	69%	4,614	2,773	60%
Equipment Fund	45,782	28,891	63%	45,271	27,896	62%
Property Services	14,227	11,402	80%	14,428	11,464	79%
Public Works Stores	3,423	3,632	106%	3,406	3,333	98%
Intergovernmental Fund	39,744	29,089	73%	41,986	27,984	67%
Self Insurance	66,093	52,010	79%	64,019	48,018	75%

The **Intergovernmental Service Fund** is operating at a level called for in its financial workout plan. The City instituted an Activity Based Costing rate model in 2005. Customers are charged a rate based on services consumed. This rate model replaces the arbitrary "fund-transfer" method that existed previously. Through 3rd quarter, the results indicate that revenues and expenses are on track. Depreciation expense continues to pose a challenge for the fund because it is not recovered through the cost recovery model.

The **Equipment Fund** also operates under a Council-adopted financial workout plan. The fund has positive cash and net assets and continues to make good progress toward solvency and a pay-as-you-go approach to replacing its capital assets. Revenues and expenses are lower than expected due to a decreased level of equipment usage in the Capital Projects area, but the funds operating margin remains positive. It is expected that the fund will meet the cash and net income goals required from the workout plan at year-end.

The **Self-Insurance Fund** is expected to have a positive financial outcome at year-end and 3rd quarter results indicate this is happening. Revenues and expenses are at 79% and 75% respectively.

Appendix

Detailed Fund Information

Franchise fees, the fifth major source of revenue (8%), are expected to be about 18%, or \$3.9 million, over the current budget of \$22.1 million, primarily due to increased natural gas franchise fees.

Fine and Forfeit revenues are expected to exceed the estimated revenue budget by about 6% (or about \$0.5 million), primarily due to increased collections in the Regulatory Services Department (about \$1.4 million), which are expected to more than offset a shortfall in Police Department collections (currently projected to be about \$0.9 million). The table below presents additional information about the Red Light camera initiative:

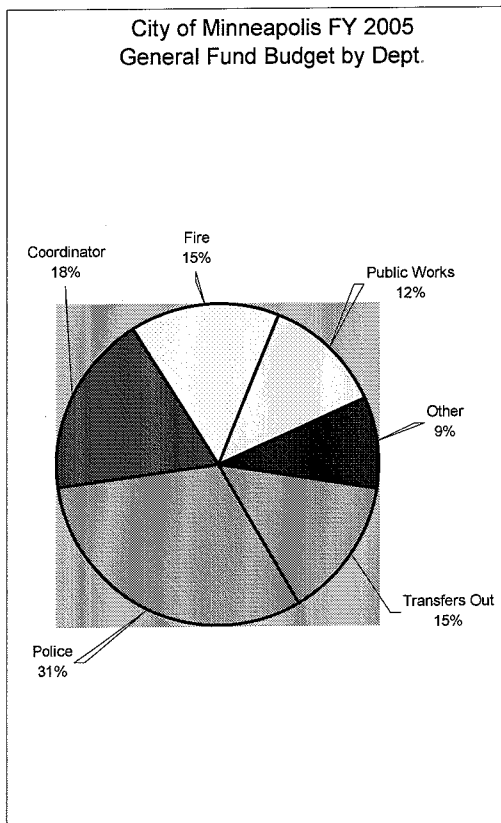
RED LIGHT CAMERA INITIATIVE			
PERIOD	REVENUES	EXPENSE	GAIN/(LOSS)
2005 (Through 11/17)	597,982	278,575	319,407
2005 (Projected)	1,038,000	432,000	606,000
2006 (Projected)	2,400,000	920,000	1,480,000

Investment income has historically been budgeted conservatively; however, due to lower than expected interest rates in the current year and delayed posting, actual investment income is down by about 55% of the current budget. By the end of the year, however, investment income is expected to meet the current budget.

Other miscellaneous revenues are currently projected to meet or slightly exceed the current budget.

In September, the City Council authorized an estimated revenue increase of \$400,000 for the Downtown Safe Zone. Permission was granted to enter into a contract with Hennepin County to receive funding to pass through the county from the Downtown Council. To date, only \$51,000 has been received – additional revenue is not anticipated. All other General Fund revenues and transfers are currently projected to meet or exceed the estimated revenue budget at the end of the year with no significant variances.

General Fund Expenditures:



Four departments make up about 76% of the total General Fund expenditures: Police, Coordinator, Fire, and Public Works. Small percentage variances in any of these large departments can have a significant effect on the amount of General Fund expenditures.

At the end of September, the Police Department's expenditures incurred to date are about \$69.8 million (73% of current budget); currently, their projected expenditures are expected to exceed their budget at the end of the year by about \$2.0 million, primarily due to additional personal service expenditures (including compensatory time payments, additional Downtown Safe Zone activities/presence, Hurricane Katrina response expenses, and Stop on Red Program enforcement expenses).

The expenditures of the next major department, Coordinator, are currently running nearly 7% under budget as of the end of the third quarter. The Coordinator is expected to be about 2% under budget at year end.

A detailed financial schedule of the General Fund is shown below:

City of Minneapolis					
General Fund					
September 30, 2005					
	Original Budget	Revised Budget	Actuals Thru Sept.	Projected YE Totals	Projected YE Actual as Percent of Revised Budget
Revenues:					
Property Taxes*	101,926,076	101,926,076	49,654,808	101,926,076	100%
State Aids**	74,682,631	74,682,631	44,914,716	74,682,631	100%
Charges for Services	32,918,326	33,348,926	23,972,751	30,623,926	92%
Licenses and Permits	22,532,387	22,462,387	17,712,219	22,462,387	100%
Franchise Fees	22,110,000	22,110,000	18,947,471	26,000,000	118%
Fines and Forfeits	8,512,377	8,512,377	6,629,602	9,000,000	106%
Special Assessments*	2,743,434	2,888,130	1,441,984	2,888,130	100%
Investment Income	1,830,000	1,830,000	615,304	1,830,000	100%
Other Shared Taxes	673,984	673,984	382,773	673,984	100%
Other Miscellaneous	495,869	565,869	494,049	565,869	100%
Contributions	297,500	299,000	2,269	299,000	100%
Charges for Sales	38,800	38,800	265,808	38,800	100%
Total Revenues	268,761,384	269,338,180	165,033,754	270,990,803	101%
Transfers In	17,031,750	17,031,750	12,736,313	17,031,750	100%
Revenues and Other Sources	285,793,134	286,369,930	177,770,067	288,022,553	101%
Expenditures :					
Police	94,749,237	95,899,237	69,796,943	97,899,237	102%
Coordinator - Total	54,951,569	55,185,619	37,785,729	54,285,619	98%
Fire	45,200,377	47,930,977	35,202,992	47,930,977	100%
Public Works - Total	36,153,629	37,613,945	27,280,953	37,313,945	99%
Attorney	5,602,482	5,602,482	3,714,497	5,102,482	91%
Health	3,652,728	3,652,728	2,207,152	3,652,728	100%
CPED	3,075,229	3,367,117	2,382,476	3,367,117	100%
Assessor	3,101,062	3,101,062	2,110,483	2,901,062	94%
City Clerk - Total	2,269,155	2,916,257	2,053,286	2,916,257	100%
City Council	3,322,914	2,854,312	1,983,996	2,654,312	93%
Civil Rights	2,338,040	2,348,040	1,455,063	2,198,040	94%
Mayor	1,053,899	1,101,899	804,073	1,101,899	100%
Contingency	1,983,000	933,000	135,000	180,000	19%
Non-Department - Corrections	820,000	820,000	448,738	785,000	96%
Non-Department - Other	1,428,143	28,143	-	28,143	100%
Unfunded Pension Liabilities	(1,200,000)	(1,200,000)	(896,297)	(1,200,000)	100%
Total Expenditures	258,501,464	262,154,818	186,465,084	261,116,818	100%
Transfers Out	32,791,670	44,791,670	19,213,471	44,791,670	100%
Expenditures and Other Uses	291,293,134	306,946,488	205,678,555	305,908,488	100%
Change in Fund Balance	(5,500,000)	(20,576,558)	(27,908,488)	(17,885,935)	-29%
Fund Balance - January 1, 2005				61,351,532	
Fund Balance - December 31, 2005				43,465,597	

* Special assessment and property tax revenues are received at the end of May, November, and December.

** State aid revenues are received in July and December.

Convention Center Special Revenue Fund and Reserve Report

Convention Center Fund

The Convention Center Fund accounts for the operating activities of the Convention Center and for the City's sales tax and other related taxes.

Although the 2005 original budget had a deficit of \$3.6 million, due to the increase in the sales tax and other operating income, the fund balance is projected to be higher than the 2004 level by \$1.4 million for a total of \$31.3 million.

With the exception of entertainment tax, all of the tax revenue received by the Convention Center is used to support the Convention Center's capital and operating activities.

Revenue

Tax Revenue

The Convention Center Special Revenue Fund activity is funded from local tax receipts and Convention Center operating revenue. Tax receipts are made up of a .5% citywide sales tax; a 3% food and liquor tax applied to core downtown establishments; a 3% citywide entertainment tax; and a 3% citywide lodging tax for motels and hotels with 50 units or more. Presently, one-third of all lodging tax proceeds received by the City are paid directly to the Greater Minneapolis Convention and Visitors Association. For the first 9 months of 2005, tax proceeds exceed 2004 levels by 6% and reached 80% of its annual budget.

Tax	September 2005	September 2004	Variance	% Change
Sales	19,042,937	20,179,727	-1,136,790	-6%
Entertainment	6,907,062	6,241,268	665,794	10%
Food	7,543,708	6,048,631	1,495,077	20%
Liquor	2,818,870	2,419,169	399,701	14%
Lodging	4,196,835	3,360,781	836,054	20%
Total	\$40,509,412	\$38,249,576	\$2,259,836	6%

Interest Revenue

Total interest revenue of \$246,082, credited to the fund through September, has exceeded the 2005 budget by \$31,082 or 14%.

Operating Revenue

Operational revenue is derived directly from the Convention Center. Cash deposits for space rental are required in advance of the actual event. Equipment rental and the Tallmadge Building (a Class C multi-story office building managed by the Convention Center due to its proximity) space rental, account for the other sources of rental income. Charges for services to exhibitors or shows include audio visual service to clients, labor charges, cleaning services, coat check fees, parking proceeds, security services, fire marshalling services, and medical related services. In 2005, wireless and internet services began, and the FedEx Kinkos business center opened. Wireless and internet services are nearly 300% over budget through September. Third quarter Convention Center operating revenues are 87% of budget.

Fund Balance

The 2005 budget had a deficit of \$3.6 million, reducing the fund balance to \$26.3 million. However, tax and operating revenues are projected to be \$4 million over budget. Thus, the fund balance is expected to be \$31.3 million or \$1.4 million higher than the 2004 level of \$29.9 million.

Convention Facilities Reserve Fund

The Convention Facilities Reserve Fund was established as a holding fund for future capital needs of the existing Convention Center. Approximately \$1 million is transferred annually from the Convention Center Fund for this purpose. In 2005, a transfer to the Convention Center of \$2.5 million is scheduled. Fund balances held in the Reserve Fund at year end for Convention Center activities will be \$6.9 million.

Arena Reserve

As with the Convention Facilities Reserve Fund, the Arena Reserve fund was established as a holding fund for the acquisition and capital maintenance costs of the Target Center as determined by the Target Center Finance plan. Transfers to debt service are made annually from the fund. Fund revenues are generated by transfers from other City funds for Target Center related revenue.

ARENA RESERVE SPECIAL REVENUE FUND				
STATEMENT OF REVENUES, EXPENDITURES, AND				
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL				
For the fiscal quarter ending September 30, 2005				
	2005			
			Year	
			End	2004
	Budget	Actual	Projection	Actual
REVENUES:				
Interest	\$ -	48,082	48,082	8,868
Total revenues	-	48,082	48,082	8,868
OTHER FINANCING SOURCES (USES):				
General Fund Transfer	91,500	68,625	91,500	91,500
Transfer to Debt Service	-	-	-	-
Muni Parking Enterprise Fund	1,768,000	-	1,768,000	1,620,000
Convention Ctr Opers Transfer	1,200,000		1,200,000	1,505,914
Total other financing sources (uses)	3,059,500	68,625	3,059,500	3,217,414
Excess of revenues and other financing sources over (under) expenditures and other financing uses	3,059,500	116,707	3,107,582	3,226,282
Fund balance - January 1	5,218,207	5,218,207	5,218,207	1,991,925
Ending Fund balance	\$ 8,277,707	5,334,914	8,325,789	5,218,207

SPECIAL REVENUE FUNDS
Federal, CDBG, and Other State and Local Grants
Quarter Ending September 30, 2005

The City receives a number of state and federal grants that are recorded in the Federal (0300), Community Development Block Grant (CDBG) (0400), and Grants Other (0600) funds. These grants have varying grant periods and are used for a range of purposes.

Since the City records its financial information on a modified accrual basis the timing of cash receipts can result in grant funds reflecting a deficit cash balance. The deficit in fund 0400 is a result of the timing of cash flows. This cash will be fully reimbursed when the grant revenue is received.

Federal Grants Fund (0300)

The Empowerment Zone (EZ) grant is one of the major grants in this fund. Its purpose is to create jobs and business opportunities in the most economically distressed areas of inner cities and the rural heartland. The Empowerment Zone/Enterprise Community (EZ/EC) effort provides tax incentives and performance grants and loans to create jobs, expand business opportunities, develop housing, improve education and support sustainable communities. It also focuses on activities to support people looking for work by assisting with job training, childcare, and transportation. Minneapolis is currently designated as a Round II federal urban (EZ) and (EC). The Grants and Special Projects Department managed the EC from 1995-1999. With the EZ designation in 1999, the administration of both programs was transferred to the Empowerment Zone office. Through reorganizations the program now resides with Community Planning and Economic Development Department (CPED). The loan receivable amount of \$2,336,022 in the fund is entirely comprised of loans related to the EZ program.

Other major programs accounted for in this fund are the Police Department's Local Law Enforcement Block grants and the Copsmore grants; the Maternal Child Health; Homeland Security; Welfare to Work and various Workforce Incentive Act grant programs.

The Fire Department recently received over \$4,883,000 in a federal urban area security initiative grant from the U.S. Department of Homeland Security. An allocation of \$4,200,000 will go to the Minneapolis Emergency Communications Center for the purchase of a new computer aided dispatch system, \$608,740 will stay in the Fire Department for training and \$74,260 will be used by the Police Department to purchase HAZMAT equipment. Expenditures for this program did not begin until October. Approximately \$521,627 has been spent or obligated as of September 30, 2005. The Fire Department received a second grant of \$1,100,000 that started in May of this year for enhanced response team training and planning. As of September 30, \$20,241 had been expended.

CDBG Fund (0400)

The Community Development Block Grant (CDBG) is the City's largest single grant and is accounted for in fund 0400 with three other Housing and Urban Development (HUD) Programs. These programs are the Emergency Shelter Grant Program (ESG), HOME Investment Partnerships Program and Housing Opportunities for Persons with AIDS

reprogramming of an additional \$846,218 bringing the remaining deficit down to \$6,535,018.

Grants Other Fund (0600)

The fund is used to account for non-federal grants and other restricted revenue sources. Activity in the fund is approximately \$7.5 million annually. The major programs are the Local Public Health and the State Employment grants. Some of the programs, such as the Local Public Health grant provide cash advances that are carried over until the end of the grant period. The Local Public Health grant includes Maternal Child Health and Temporary Assistance to Needy Families (TANF) which are accounted for in the federal fund 0300. The State Recapture Loan program is also accounted for in this fund and therefore revenue is received prior to any expenditure occurring. In general, this fund carries a positive cash balance and fund balance.

Department	Agcy	Project	Revised Budget	2005 Expenditures	Grant to Date Expenditures	Remaining Grant Budget
Capital Grants:						
CPED	890	Adult Training, Placement and Retention	\$ 610,878	\$ 132,564	\$ 132,564	\$ 478,314
CPED	890	High Density Corridor Housing	953,008	-	-	953,008
CPED	890	Homeownership Program (GMMHC)	439,174	-	-	439,174
CPED	890	Industry Cluster Program (Living Wage Jobs)	94,348	-	-	94,348
CPED	890	Multi-Family/Affordable Housing	4,898,461	-	-	4,898,461
CPED	890	NEDF/CEDF	142,951	-	-	142,951
CPED	890	NonProfit MF Rental Development Assistance	238,252	-	-	238,252
CPED	890	Residential Loan/Grant	571,805	-	-	571,805
CPED	890	Vacant & Boarded Housing	1,200,000	145,271	145,271	1,054,729
Health & Family Support	860	Childcare Facilities Loan/Grant	306,869	-	-	306,869
Regulatory Services	835	Lead Reduction	171,541	-	-	171,541
Regulatory Services	835	Problem Properties Board Bldg	49,557	-	-	49,557
Police	400	Problem Properties Police	71,476	-	-	71,476
Fire	280	Problem Properties Fire	23,825	-	-	23,825
City Attorney	140	Problem Properties Attorneys	47,650	-	-	47,650
Non-Departmental	123	General Housing Rehabilitation-MPHA	297,338	-	-	297,338
		Subtotal Capital Grants	\$ 10,117,133	\$ 277,835	\$ 277,835	\$ 9,839,298

Public Service Grants:

CPED	890	Mortgage Foreclosure Prevention Program	\$ 238,252	\$ 185,252	\$ 185,252	\$ 53,000
CPED	890	Youth Employment & Training	541,309	397,564	397,564	143,745
Health & Family Support	860	Advocacy (Housing)	104,831	96	96	104,735
Health & Family Support	860	Block Nurse Program	66,000	1,944	1,944	64,056
Health & Family Support	860	Child Dental Services	11,000	3,144	3,144	7,856
Health & Family Support	860	Curfew/Traffic Center	99,113	79,242	79,242	19,871
Health & Family Support	860	Early Childhood School Readiness	90,412	-	-	90,412
Health & Family Support	860	GMDCA Child Care	142,500	-	-	142,500
Health & Family Support	860	HIV/AIDS	45,000	-	-	45,000
Health & Family Support	860	Lao Advancement Organization of America	50,000	8,390	8,390	41,610
Health & Family Support	860	Minneapolis Community Clinics	335,561	40,581	40,581	294,980
Health & Family Support	860	MPS Teenage Parenting & Pregnancy Program	85,000	-	-	85,000
Health & Family Support	860	MUL-Mental Health	25,000	-	-	25,000
Health & Family Support	860	New American Community Services	50,000	-	-	50,000
Health & Family Support	860	School Success Programs	35,000	-	-	35,000
Health & Family Support	860	Way to Grow	295,432	-	-	295,432
Public Works	607	Graffiti Removal on Public Property	101,972	39,652	39,652	62,320
		Subtotal Public Service Grants	\$ 2,316,382	\$ 755,865	\$ 755,865	\$ 1,560,517

Administrative Grants:

CPED	890	Citizen Participation	\$ 328,788	\$ 56,543	\$ 56,543	\$ 272,245
CPED	890	Planning Administration	1,230,400	250,087	250,087	980,313
CPED	890	Program Administration	13,657	2,987	2,987	10,670
Health & Family Support	860	Grant Administration	95,301	-	-	95,301
Health & Family Support	860	Legal Aid Society	46,697	-	-	46,697
Health & Family Support	860	Neighborhood Services	101,972	-	-	101,972
Health & Family Support	860	Way to Grow Administration	34,308	-	-	34,308
Finance	820	Administration	271,607	-	-	271,607
Grants & Special Projects	800	Grants & Special Projects	219,192	-	-	219,192
Grants & Special Projects	800	Housing Discrimination Law Project	76,241	8,067	8,067	68,174
Grants & Special Projects	800	Metro Fair Housing	17,154	-	-	17,154
Civil Rights	300	Fair Housing Initiative/Davis Bacon Compliance	257,312	-	-	257,312
Civil Rights	300	Multi Cultural & Native American Indian	166,776	18,373	18,373	148,403
Non-Departmental	123	Administration YCB	56,227	51,000	51,000	5,227
Non-Departmental	123	Citizen Participation MPHIA	93,395	28,582	28,582	64,813
		Subtotal Administrative Grants	\$ 3,009,027	\$ 415,639	\$ 415,639	\$ 2,593,389
		GRAND TOTAL	\$ 15,442,542	\$ 1,449,339	\$ 1,449,339	\$ 13,993,204

Source : Period 9, October 22, 2005 G101M

CDBG FY Year 29
(June 1, 2003 to May 31, 2005)
September 30, 2005

Department	Agency	Grant	Budget	Reprogram Reduction	Revised Budget	2005 Expenditures	Grant To Date Expenditures	Remaining Grant Budget
Capital Grants:								
Regulatory Services	835	Hud Lead Program	\$ 180,000		\$ 180,000	\$ 8,550	\$ 180,000	\$ -
Regulatory Services	835	Boarded Building Demolition	-	175,990	175,990	175,990	175,990	-
Inspections Department	850	Boarded Building Demolition	202,000	(175,990)	26,010	-	26,010	-
Health & Family Support	860	GMDCA- Child care facilities	323,000		323,000	10,372	323,000	-
Health & Family Support/CPED	860/890	Adult Training, Placement & Retention	641,000		641,000	83,269	628,665	12,335
Health & Family Support/CPED	860/890	Industrial Cluster Training	99,000		99,000	63,302	73,325	25,675
MCDCA/CPED	340/890	Multi Family Affordable Housing	5,056,241		5,056,241	4,044,373	4,612,673	443,568
MCDCA/CPED	340/890	Neighborhood/Commercial Economic Dev Fd	300,000		300,000	-	-	300,000
MCDCA/CPED	340/890	Vacant/Boarded Housing Program	5,354,859		5,354,859	1,279,934	4,559,259	795,600
Non Departmental	123	General Housing Rehabilitation MPHA	313,000		313,000	76,362	251,962	61,038
Public Works	607	Graffiti Removal	107,000		107,000	-	107,000	0
Public Works	680	Minneapolis American Indian Center	118,000		118,000	-	118,000	-
Public Works	680	Public Works Community Center Operations	42,000		42,000	595	11,235	30,765
		Subtotal Capital Grants	\$ 12,736,100	\$ -	\$ 12,736,100	\$ 5,742,748	\$ 11,067,118	\$ 1,668,982
Public Service Grants:								
Regulatory Services	835	Groundworks	\$ 25,000		\$ 25,000	\$ -	\$ 25,000	\$ -
Health & Family Support	860	Block Nurse prg	66,000		66,000	-	64,126	1,874
Health & Family Support	860	Child Dental Services	17,000		17,000	-	17,000	-
Health & Family Support	860	Curfew Truancy Center	104,000		104,000	-	104,000	-
Health & Family Support	860	Domestic Abuse Prevention	87,000		87,000	-	87,000	-
Health & Family Support	860	GMDCA- Child care sliding fee	486,000		486,000	-	486,000	-
Health & Family Support	860	Head Start	99,000		99,000	-	99,000	-
Health & Family Support	860	Minnesota Aids Project	35,000		35,000	-	34,998	2
Health & Family Support	860	MPLS Community Clinics	394,000		394,000	-	394,000	-
Health & Family Support	860	Senior Services	92,000		92,000	17,470	92,000	-
Health & Family Support	860	Tubman Family Alliance	62,000		62,000	-	61,999	1
Health & Family Support	860	Volunteers of America	121,000		121,000	-	121,000	-
Health & Family Support	860	Way To Grow	331,000		331,000	-	331,000	-
Health & Family Support/CPED	860/890	Youth Employment & Training	568,000		568,000	-	568,000	-
Park & Recreation Board	127	Teamworks	23,000		23,000	-	23,000	-
		Subtotal Public Service Grants	\$ 2,510,000	\$ -	\$ 2,510,000	\$ 17,470	\$ 2,508,123	\$ 1,877
Administrative Grants:								
Civil Rights	300	Fair Housing Initiative	\$ 349,502	(7,774)	\$ 341,728	\$ 192	\$ 341,728	\$ -
Finance Department	820	General Administration Finance	342,928	(125,210)	217,718	113,480	169,381	48,337
Grants and Special Projects	800	Grants Administration	229,339		229,339	63,556	229,339	-
Health & Family Support	860	Advocacy	210,000		210,000	-	210,000	-
Health & Family Support	860	Legal Aid Services	49,000		49,000	-	49,000	-
Health & Family Support	860	Multicultural Services	120,000		120,000	-	120,000	-
Health & Family Support	860	Neighborhood Services Administration	161,500		161,500	37,963	161,500	-
Health & Family Support	860	Way To Grow Administration	46,000		46,000	-	46,000	-
MCDCA/CPED	340/890	Citizen (Resident) Participation	345,510		345,510	2,381	282,886	62,624
MCDCA/CPED	340/890	General Administration	80,000	(36,435)	43,565	8,486	43,565	-
MCDCA/CPED	340/890	Neighborhood Business Association	174,000		174,000	-	174,000	-
Planning/CPED	380/890	Planning Administration	1,282,980	(104,517)	1,178,463	-	1,178,463	-
Non Departmental	123	Citizen (Resident) Participation MPHA	98,000		98,000	11,554	98,000	-
Non Departmental	123	Youth Coordinating Board (YCB)	48,000		48,000	-	48,000	-
		Subtotal Administrative Grants	\$ 3,536,759	\$ (273,936)	\$ 3,262,823	\$ 237,612	\$ 3,151,862	\$ 110,961
Office of Grants & Special Projects		Block E Deficit Reduction	\$ 273,936	\$ 273,936	273,936	\$ 5,997,831	\$ 16,727,103	\$ 273,936
		GRAND TOTAL	\$ 18,782,859	\$ -	\$ 18,782,859	\$ 5,997,831	\$ 16,727,103	\$ 2,055,756

Note: MCDCA/CPED Grants identified above are accounted for in fund FBG0

Source : Period 9, October 22, 2005 G101M

CDBG Programs Year 27 and Prior
(Beginning 6/1/1996-2001)
September 30, 2005

Department	Agy	Grant	Budget	2005 Expenditures	Grant To Date Expenditures	Remaining Grant Budget
Capital Grants:						
Park & Recreation Board	127	Mill Ruins Park	\$ 447,902	\$ 42,432	\$ 447,902	\$ -
Park & Recreation Board	127	Hosmer	33,537	-	32,807	730
Park & Recreation Board	127	Discovery Gardens	25,000	-	-	25,000
Non Departmental	123	Relocation	325,000	4,240	247,314	77,686
MCDA/CPED ¹			-	-	-	-
		Subtotal Capital Grants	\$ 831,439	\$ 46,672	\$ 728,023	\$ 103,416
Administrative Grants:						
Planning/CPED ²	380/890	Planning Corridor	\$ 172,762	\$ 70,108	\$ 72,659	\$ 100,103
		Subtotal Administrative Grants	\$ 172,762	\$ 70,108	\$ 72,659	\$ 100,103
		GRAND TOTAL	\$ 1,004,201	\$ 116,780	\$ 800,682	\$ 203,518

¹ Current MCDA information for the CDBG 96/97 was not available at the time of this report and therefore not included in the schedule above

² This amount was reprogrammed in October of 2001 as part of the Year 23 reprogramming process

Source : Period 9, October 22, 2005 G101M

City of Minneapolis, Minnesota
Engineering, Materials and Testing Fund
Statement of Revenues and Expenses

For the period 1/1/05 through 9/30/05 for the Years Ending 2005, 2004 and 2003

	Budget Year 2005	Projection Year Ending 2005	For Period Ending 30-Sep-05	For Year Year Ending 2004	For Period Ending 30-Sep-04	For Year Ending 2003	For Period Ending 30-Sep-03
Operating Revenues:							
ARS Interest	-	-	-				15
Asphalt / Ready-Mix Concrete	2,650,000	2,750,000	1,965,582	2,796,929	1,385,167	3,968,442	1,972,473
Inspection and Testing Services	950,000	745,000	530,851	1,024,134	780,639	809,551	712,570
Grants (MNDOT)		-	-				
Misc		-	-				10,769
Total Operating Revenues	3,600,000	3,495,000	2,496,433	3,821,063	2,165,805	4,777,993	2,695,827
Operating Expenses:							
Personnel	1,005,934	796,275	597,206	846,000	629,991	1,113,167	1,046,672
Contractual	724,737	330,436	220,291	299,000	328,204	472,557	377,406
Materials/Other	2,767,442	2,803,055	1,868,703	2,793,000	1,948,616	2,711,928	1,337,127
Rent	40,041	40,041	30,354	98,000	-	138,306	119,394
Depreciation	15,180	15,180	10,120	14,000	9,394	177,183	93,600
Total Operating Expenses	4,553,334	3,984,987	2,726,674	4,050,000	2,916,205	4,613,139	2,974,199
Operating Margin	(953,334)	(489,987)	(230,241)	(228,937)	(750,400)	164,854	(278,372)
Non-Operating Revenues/(Expenses)							
Net Transfers in (out)	(61,182)	(61,182)	(45,887)	(10,000)	(4,850)	(9,876)	(14,055)
Gains (Losses)				58,931	58,931		
Total Non-Operating Revenues (Expenses)	(61,182)	(61,182)	(45,887)	48,931	54,081	(9,876)	(14,055)
Change in Net Assets	(1,014,516)	(551,169)	(276,127)	(180,006)	(696,319)	154,978	(292,427)
Significant Balance Sheet Items							
Cash			763,371	633,000	210,264	790,978	873,656
Accounts Receivable			17,925	1,000	2,690	1,167	1,167
Interfund receivable			-	-	-	-	-
Reserve for renewal			639,673	639,673	639,673	639,673	639,673
Unearned Revenue			-	-	139,896	139,896	139,896
Significant Cash Flow Items							
Capital Outlay			-		-	(119,289)	
Inter fund loans and payments			-				
Accounts Payable			(419,597)				

City of Minneapolis
Equipment Fund
Statement of Revenue and Expenses
For Third Quarter / Years Ending 2005, 2004 and 2003

	Current Budget Year 2005	Projected Year Ending 2005	For Period Ending 9/30/2005	For Year Ending 2004	For Period Ending 9/30/2004	For Year Ending 2003	For Period Ending 9/30/2003
Operating Revenues:							
Charges for Services and Sales	14,133,923	12,305,448	9,229,086	11,598,134	8,664,493	3,318,989	2,141,863
Rents Public Works and Other	27,267,348	21,625,784	16,219,338	23,011,983	16,470,672	28,771,508	21,557,747
Total Operating Revenue	41,401,271	33,931,232	25,448,424	34,610,117	25,135,165	32,090,497	23,699,610
Operating Expenditures:							
Personal Services	18,726,284	15,574,853	11,681,140	15,220,114	11,470,151	15,564,603	11,475,141
Contractual Services	9,586,112	7,191,413	5,393,560	7,607,142	5,095,560	4,202,765	2,864,971
Materials, supplies, services and other	6,208,949	3,249,108	2,436,831	3,906,643	2,778,509	4,087,358	3,492,740
Rent	580,520	580,520	435,390	668,301	557,476	526,516	394,887
Cost of Stores Issuance	3,446,804	3,446,804	2,585,103	2,746,219	2,036,624	2,143,580	1,852,499
Depreciation	4,956,929	4,956,929	3,717,696	4,760,047	3,312,204	4,272,401	3,097,868
Total Operating Expenses	43,505,597	34,999,627	26,249,720	34,908,466	25,250,524	30,797,223	23,178,106
Operating Margin	(2,104,326)	(1,068,395)	(801,296)	(298,349)	(115,359)	1,293,274	521,504
Non-Operating Revenues/(Expenses):							
Interest Revenue	500	1,342	1,007	-	826	782	1,037
Interest on Bonds	(1,932,550)	(1,932,549)	(1,449,412)	(1,853,104)	(1,348,331)	(1,628,939)	(1,196,350)
Gains/Losses on disposal of fixed assets	200,000	408,474	306,355	110,025	3,856	11,521	269,159
Damages/Losses recovered				141,231	131,749	404,323	227,956
Other Rev				11,146	22,081	5,124	3,427
Total Non-Operating Revenues(Expense):	(1,732,050)	(1,522,733)	(1,142,050)	(1,590,702)	(1,189,819)	(1,207,189)	(694,771)
Operating Transfers in (out)							
Transfers from other fund	4,180,000	4,180,000	3,135,000	2,542,709	1,816,460	1,819,000	1,364,250
Transfers to other fund	(262,937)	(262,937)	(197,203)	(71,232)	(46,500)	(482,363)	(45,872)
Transfers from component units							
Total operating transfers	3,917,063	3,917,063	2,937,797	2,471,477	1,769,960	1,336,637	1,318,378
Change in Net Assets	80,687	1,325,935	994,451	582,426	464,782	1,422,722	1,145,111
Significant Balance Sheet Items							
Fleet Purchases			3,047,615	1,035,274	3,399,581	2,797,761	1,958,319
Operating Cash			2,472,432	1,752,082	(936,051)	4,181,467	6,083,930
Net Building Value			26,573,445	27,022,182	26,285,760	27,356,443	27,510,856
Net Fleet Value			27,340,620	26,486,386	18,742,848	21,866,628	21,399,177
Bonds Payable			(49,469,078)	(42,490,000)	(42,490,000)	(40,160,000)	(42,938,935)
Significant Cash Flow Items							
Bond Proceeds			5,540,000	5,450,000	5,450,000	9,630,000	9,630,000
Debt Service Work out Bonds			(2,472,300)	(1,687,237)	(1,571,275)	(340,724)	(340,724)
Debt Service (Bond Facilities & Equip)			(3,875,250)	(3,346,500)	(3,346,500)	(2,927,750)	(2,927,750)
Total Cash Flow Items			(807,550)	416,263	532,225	6,361,526	6,361,526

Cash balance decreased from 2003 to 2004 due to a change in accounting practices. Previously it included unspent bonds

City of Minneapolis, Minnesota
Property Services Fund
Statement of Revenues and Expenses
For Third Quarter / Years Ending 2005, 2004 and 2003

	Current Budget Year 2005	Projected Year Ending 2005	For Period Ending 9/30/05	For Year Ending 2004	For Period Ending 09/30/04	For Year Ending 2003	For Period Ending 09/30/03
Operating Revenues:							
Charges for Services And Sales	6,765,980	7,933,701	5,950,276	6,805,243	4,249,706	5,471,461	3,418,561
Rents Public Works and Other	6,649,500	6,457,969	4,843,476	6,468,067	4,845,273	6,214,108	4,536,464
Total Operating Revenue	13,415,480	14,391,670	10,793,752	13,273,310	9,094,979	11,685,569	7,955,025
Operating Expenses:							
Personal Services	7,760,017	7,330,560	5,497,920	6,389,176	4,809,978	6,195,051	4,600,860
Contractual Services	3,861,025	4,562,797	3,422,097	4,689,975	2,626,321	3,594,888	2,023,256
Materials, Supplies, Services and Other	2,137,924	1,343,787	1,007,840	1,420,289	1,058,332	1,234,429	889,023
Rent	174,261	174,261	130,695	193,689	145,414	184,971	889,023
Depreciation		1,378,468	1,033,851	770,071	569,302	1,301,122	978,840
Total Operating Expenses	13,933,227	14,789,872	11,092,404	13,463,200	9,209,346	12,510,461	9,381,002
Operating margin	(517,747)	(398,203)	(298,652)	(189,890)	(114,367)	(824,892)	(1,425,977)
Non-Operating Revenues/(Expenses):							
Interest Revenue		14	11	18	18	(24)	(24)
Interest on Bonds	(409,163)	(409,163)	(306,872)	(412,058)	(323,710)	(336,541)	(252,405)
Gains/Losses on disposal of fixed assets		-		(2,742)		(165,000)	
Damages/Losses recovered		-					
Other rev		-					
Total Non-Operating Revenues(Expenses)	(409,163)	(409,149)	(306,862)	(414,782)	(323,692)	(501,565)	(252,429)
Income(loss) before operating trfrs	(926,910)	(807,352)	(605,514)	(604,672)	(438,059)	(1,326,457)	(1,678,406)
Operating transfers in(out)							
Transfers from other fund	811,613	811,613	608,710	841,613	631,210	388,009	291,006
Transfers to other fund	(85,976)	(85,976)	(64,482)	(34,728)	(24,250)	(32,685)	(24,513)
Transfers from capital projects		0				0	
Total operating transfers	725,637	725,637	544,228	806,885	606,960	355,324	266,493
Change in Net Assets	(201,273)	(81,714)	(61,286)	202,213	168,901	(971,133)	(1,411,913)
Significant Balance Sheet Items							
Operating Cash			(237,810)	(6,063)	(696,053)	(1,040,659)	(563,820)
Bonds Payable			(10,228,422)	(10,228,422)	(10,228,422)	(10,711,000)	(6,425,000)

City of Minneapolis, Minnesota
Public Works Stores
Statement of Revenues and Expenses
For the period 1/1/05 through 9/30/05 for the Years Ending 2005, 2004 and 2003

	Budget Year 2005	Projection Year Ending 2005	For Period Ending 30-Sep-05	For Year Year Ending 2004	For Period Ending 30-Sep-04	For Year Ending 2003	For Period Ending 30-Sep-03
Operating Revenues:							
Central Stores	1,562,500	1,606,297	1,204,723	1,712,835	1,317,539	2,125,950	1,825,095
Traffic Stores	1,860,000	3,236,623	2,427,467	2,207,208	1,430,429	2,579,449	1,934,587
Total Operating Revenues	3,422,500	4,842,920	3,632,190	3,920,043	2,747,968	4,705,399	3,759,682
Operating Expenses:							
Personnel	575,735	571,320	428,490	627,578	445,897	554,958	514,476
Contractual	261,758	250,000	147,311	34,177	70,189	84,915	24,507
Materials/Other	243,385	240,000	76,611	199,707	102,661	204,549	168,321
Rent	70,133	70,133	48,834	61,615	46,211	63,288	61,363
Cost of Stores Issuance	2,247,000	3,501,877	2,626,407	2,848,429	1,947,292	3,496,790	2,676,910
Total Operating Expenses	3,398,011	4,633,329	3,327,654	3,771,506	2,612,250	4,404,500	3,445,577
Operating Margin	24,489	209,591	304,536	148,537	135,717	300,899	314,105
Non-Operating Revenues/(Expenses)							
Net Transfers in (out)	(6,726)	(6,726)	(5,045)	(14,000)	(7,000)	(13,648)	(18,435)
Depreciation	(1,255)	(1,000)	(316)	(678)	(497)	(4,744)	(8,091)
Net Interest Income (Exp)				54	49	163	
Other Non Operating Income (Exp)						(1,927)	
Total Non-Operating Revenues (Expenses)	(7,981)	(7,726)	(5,360)	(14,624)	(7,448)	(20,156)	(26,526)
Change in Net Assets	16,508	201,865	299,176	133,913	128,270	280,743	287,579
Significant Balance Sheet Items							
Operating Cash			55,478	17		3,102	(678,231)
Accounts Receivable			7,737	7,076		18,052	16,805
Inventories			2,952,334	3659585		2,894,543	3,095,633
Significant Cash Flow Items							
Inventories			707,252				
Capital Outlay							

City of Minneapolis, Minnesota
Intergovernmental Services Fund
Statement of Revenues and Expenses
For Third Quarter/Years Ending 2005, 2004 and 2003

	Current Budget Year 2005	Projected Year Ending 2005	For Period Ending 30-Sep-05	For Year Ending 2004	For Period Ending 30-Sep-04	For Year Ending 2003	For Period Ending 30-Sep-03
Operating Revenues:							
Charges for Service:							
BIS - PMD	12,764,747	12,764,747	9,300,306	1,318,871	1,161,495	1,222,373	946,900
BIS-Telecom	2,619,857	2,692,714	2,243,929	1,668,311	1,060,755	1,407,383	1,024,769
BIS - Operating-other	15,154,646	15,086,856	10,776,326	1,569,159	992,209	356,992	67,903
CC-Mailing Services	420,378	58,304	46,643	465,745	345,032	453,398	294,774
CC-Copy Services	692,541	686,429	572,024	817,880	584,407	657,919	411,478
Total Operating Revenues	31,652,169	30,544,317	22,939,228	5,839,966	4,143,899	4,098,065	2,745,824
Operating Expenses:							
BIS - PMD	13,808,556	13,808,556	7,681,091	4,445,321	1,595,183	1,731,995	7,784,068
BIS - Telecom	1,664,747	1,664,747	1,313,530	1,416,995	1,062,746	1,428,842	1,071,631
BIS - Operating-other	16,777,865	16,274,529	11,985,454	10,095,561	9,596,622	12,071,543	3,805,670
CC-Mailing Services	420,378	128,986	103,189	448,678	383,998	478,063	365,846
CC-Copy Services	692,541	517,765	414,212	648,681	438,919	616,868	392,974
Human resources	191,605	155,404	124,323	175,718	50,382	148,343	45,804
Total Operating Expenses	33,555,692	32,549,987	21,621,799	17,230,954	13,127,850	16,475,654	13,465,993
Operating Margin	(1,903,523)	(2,005,669)	1,317,429	(11,390,988)	(8,983,952)	(12,377,589)	(10,720,169)
Non-Operating Revenues/(Expenses)							
et Transfers in (out)	8,091,978	8,091,978	6,149,521	23,215,610	17,411,708	18,658,351	16,892,325
ains (Losses)	0	(8,000)	(5,039)	(152,000)	(149,888)	(2,027,000)	(1,520,250)
Depreciation	(6,319,190)	(5,992,365)	(4,793,892)	(7,314,000)	(5,320,478)	(8,932,000)	(6,699,000)
Interest on Bonded Debt	(2,110,984)	(2,110,984)	(1,563,471)	(2,129,000)	(1,624,463)	(2,215,000)	(1,661,250)
Other Non Operating Income (Exp)	0	(93,116)	(93,116)	77,000	1,054	83,000	62,250
Total Non-Operating Revenues (Expenses)	(338,196)	(112,487)	(305,996)	13,697,610	10,317,933	5,567,351	7,074,075
Change in Net Assets	(2,241,719)	(2,118,157)	1,011,433	2,306,622	1,333,981	(6,810,238)	(3,646,094)
Significant Balance Sheet Items							
Cash			(4,128,198)	(2,259,856)		(3,810,026)	
Accounts Receivable			704,354	65,424		1,121	
Prepaid Expenses			277,191	88,334		88,452	
Work-in-progress			9,237,406	4,421,383		6,803,658	
Interfund Loans			(12,800,000)	(12,800,000)		(12,800,000)	
Bonds Payable			(38,680,000)	(42,400,000)		(43,556,288)	
Deferred Income			(2,759,296)	(3,421,243)		(3,030,661)	
Significant Cash Flow Items							
Capital Outlay	0	0	0	0		0	-
Principal on Bonds	(6,670,000)	(6,670,000)	(6,670,000)	(5,740,000)		(1,730,000)	

City of Minneapolis, Minnesota
Self Insurance Fund
Statement of Revenues and Expenses
For Third Quarter/Years Ending 2005, 2004 and 2003

	Budget Year 2005	Projection Year 2005	For Period Ending 30-Sep-05	For Year Ending 2004	For Period Ending 30-Sep-04	For Year Ending 2003	For Period Ending 30-Sep-03
Operating Revenues:							
Health & Welfare (employee benefits)	44,951,110	48,626,023	36,469,517	44,257,786	33,046,204	43,813,110	32,040,017
Workers Compensation	7,901,243	8,500,000	6,513,434	8,306,149	6,557,042	8,234,505	6,278,378
Liability - Subrogation	7,807,000	7,785,000	6,195,855	7,853,879	5,915,761	11,680,807	5,741,767
Attorney Office Services	300,278	300,278	16,587	89,164	89,164	298,228	220,162
Human Resources Services	1,031,860	928,674	570,971	98,943	45,218	40,427	30,320
Finance-Employment Services	342,068	342,068	207,466	278,127	187,721	269,937	120,261
Total Operating Revenues	62,333,559	66,482,043	49,973,831	60,884,048	45,841,110	64,337,013	44,430,905
Operating Expenses:							
Health & Welfare (employee benefits)	45,099,283	48,051,769	35,077,791	45,259,849	33,757,439	43,874,768	32,518,865
Workers Compensation	8,082,973	6,883,016	4,818,112	(3,456,915)	4,351,259	6,046,646	4,417,579
Liability & Settlements	3,288,880	4,298,271	3,008,790	13,538,828	3,779,324	12,538,276	9,944,120
City Attorney's Office/Civil Division-Litigation	4,986,364	4,839,582	3,387,707	4,355,829	3,107,733	4,249,911	3,054,548
Risk Management - WC/Risk	1,547,313	1,500,035	1,050,024	1,275,218	914,252	1,725,695	933,347
Human Resource - Employee Benefits	699,907	682,729	566,665	575,092	340,132	440,868	319,153
Total Operating Expenses	63,704,720	66,255,402	47,909,089	61,547,902	46,250,139	68,876,163	51,187,612
Operating Margin	(1,371,161)	226,640	2,064,742	(663,854)	(409,028)	(4,539,150)	(6,756,707)
Non-Operating Revenues/(Expenses)							
Net Transfers in (out)	3,759,135	3,759,135	2,036,745	3,765,313	2,547,103	6,905,514	6,507,249
Interest on Bonded Debt	(314,250)	(314,250)	(109,729)	(97,703)	(63,439)	(94,424)	(73,800)
Interest on Interfund Loan	-	-	-	-	-	-	-
Gains (Losses)	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Other Non Operating Income (Exp)	-	-	-	-	-	-	-
Total Non-Operating Revenues (Expenses)	3,444,885	3,444,885	1,927,016	3,667,609	2,483,664	6,811,090	6,433,448
Net Change in Assets	2,073,724	3,671,525	3,991,758	3,003,755	2,074,636	2,271,940	(323,259)
Significant Balance Sheet Items							
Cash Balance over (under)	-	-	1,252,055	(2,446,758)	(3,181,920)	(4,783,285)	(11,125,398)
Accounts Receivable	-	20,000	21,005	71,259	67,417	31,917	38,226
Due from other funds/Int Gov Rec	-	181,930	181,930	181,930	127,817	181,930	181,930
Bonds-Long Term	-	(4,505,000)	(5,395,000)	(5,395,000)	(6,285,000)	(7,145,000)	(7,145,000)
Due to other funds	-	-	-	-	(1,500)	(713,250)	-
Comp Absences/Unpaid Claims	-	(29,516,951)	(28,938,187)	(28,347,206)	(28,347,206)	(27,269,466)	(27,269,466)
Net Assets	(38,909,585)	(34,308,029)	(37,979,554)	(40,983,309)	(40,983,309)	(43,255,250)	(43,255,249)
Significant Cash Flow Items							
Capital Outlay	-	-	-	-	-	-	-
Principal on Debt	(890,000)	(890,000)	(890,000)	(860,000)	(860,000)	(860,000)	(1,600,000)

City of Minneapolis, Minnesota
Sanitary Sewer Fund
Statement of Revenues and Expenses
For Third Quarter / Years Ending 2005, 2004 and 2003

	Budget Year 2005	Projected Ending 2005	For Period Ending 30-Sep-05
Operating Revenues:			
Sewage Disposal	34,247,200	33,068,374	24,801,281
Other Services Provided	358,300	358,300	31,046
Inspection Services	1,500,000	1,937,100	1,452,825
Interest		1,202	1,202
Total Operating Revenues	36,105,500	35,364,976	26,286,354
Operating Expenses:			
Sewer Design	393,525	365,862	274,396
Sewer Maintenance	6,387,818	5,165,880	3,874,410
Met Council Env. Svcs., Govt. Svc. Fee, G.F/O.H	29,474,044	29,074,976	21,806,232
Retirement Incentive			
Total Operating Expenses	36,255,387	34,606,718	25,955,038
Operating Margin	(149,887)	758,259	331,316
Non-Operating Revenues/(Expenses)			
Net Transfers out	(203,236)	(203,236)	-
Depreciation	(1,220,276)	(1,226,307)	(919,730)
Net Interest Income (Exp)	(144,929)	(144,929)	-
Other Non Operating Income (Exp)			
Total Non-Operating Revenues (Expenses)	(1,568,441)	(1,574,472)	(919,730)
Net Income	(1,718,328)	(816,213)	(588,415)
Significant Balance Sheet Items			
Operating Cash			3,306,322
Accounts Receivable			1,844,158
Significant Cash Flow Items			
Capital Outlay			108,669
Bond Principle payments	683,390		-

* Prior to 2005 the Stormwater and the Sanitary Sewer funds were combined into one fund

City of Minneapolis, Minnesota
Stormwater Fund
Statement of Revenues and Expenses
For Third Quarter / Years Ending 2005, 2004 and 2003

	Budget Year 2005	Projected Ending 2005	For Period Ending 30-Sep-05
Operating Revenues:			
State Grants	919,681	919,681	569,414
County Grants	166,985	166,985	160,147
Sewage Disposal	30,000,000	27,393,696	20,545,272
Other Services Provided	1,192,368	1,192,368	322,658
Total Operating Revenues	32,279,034	29,672,730	21,597,491
Operating Expenses:			
Sewer Design	2,383,358	2,247,436	1,685,577
Stormwater Management CSO	2,068,722	1,217,806	913,355
Street Cleaning	6,681,393	6,013,254	3,970,388
Sewer Maintenance	2,244,367	1,815,039	1,361,279
Met Council Env. Svcs., Govt. Svc. Fee, G.F/O.H	5,206,494	5,206,494	4,155,341
Retirement Incentive			
Total Operating Expenses	18,584,334	16,500,028	12,085,938
Operating Margin	13,694,700	13,172,702	9,511,553
Non-Operating Revenues/(Expenses)			
Net Transfers in			
Net Transfers out	(138,389)	(138,389)	(123,255)
Gains (Losses)			
Depreciation	(5,484,603)	(5,484,603)	(4,113,452)
Special Assessments	115,000	148,795	148,795
Net Interest Income (Exp)	(2,191,323)	(1,084,308)	(813,231)
Other Non Operating Income (Exp)			
Total Non-Operating Revenues (Expenses)	(7,699,315)	(6,558,505)	(4,901,143)
Net Income	5,995,385	6,614,197	4,610,410
Significant Balance Sheet Items			
Operating Cash			9,076,869
Construction Cash			
Accounts Receivable			6,562,868
Bonds Payable			38,167,000
Significant Cash Flow Items			
Capital Outlay			8,635,527
Bond Principle payments	8,141,538		1,500,000
Sale of Bonds			

* Prior to 2005 the Stormwater and the Sanitary Sewer funds were combined into one fund

paid from the Contribution to Other Funds include the government service fee and the self insurance liability premium.

Transfers:

The MERF (Minneapolis Employee Retirement Fund) pension debt service payment will take place in the 4th quarter and is budgeted at \$583,603.

Debt Services:

The debt service payments are primarily for bonds sold to finance the Water Works capital improvement program. Current capital projects include SCADA, membrane ultrafiltration, and reservoir programs.

Other Financial Items:

The Ultrafiltration Membrane Plant is financed through loans from the Drinking Water State Revolving Fund managed by the Minnesota Public Facilities Authority. Beginning December 2002, the City has borrowed a total of \$64.9 million at interest rates of 2.80%, 2.82% and 2.53%.

**City of Minneapolis
Municipal Parking Fund**

Fund 7500*	2005 Original Budget	2005 Workout Plan Target	2005 3rd Quarter Actual	Remaining Budget	% of Actual To WOP Target	2004 3rd Quarter Actual
Revenue	46,393,366	48,985,667	35,019,741	11,373,625	71%	34,456,396
Expenditures	35,989,222	31,356,338	21,506,524	13,982,698	69%	21,384,353
Operating Margin	10,404,144	17,629,329	13,513,217			13,072,043
Net Income (Loss)	(5,898,149)		1,322,738			4,592,718

* (i) Figures in the table do not include State-owned TAD parking facilities.

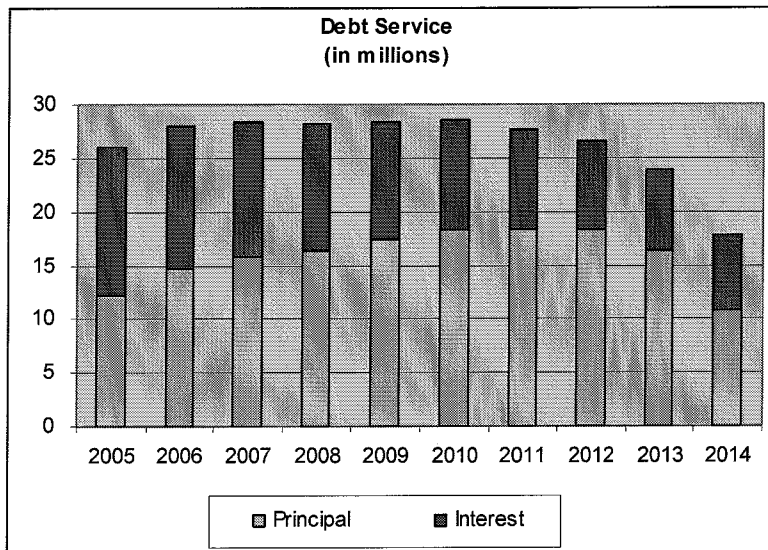
(ii) Net Income (Loss) includes all non-operating expenditures & revenues.

Program Description:

This fund accounts for operation and maintenance of parking ramps, lots, on-street parking meters, a municipal impound lot, and traffic control system. The major parking related capital construction and development activities occur in this fund. The Riverfront parking ramp and the Mill Quarter ramp were two active 2005 capital projects. While Riverfront ramp, at \$32.5 million, is nearing completion, the Mill Quarter became operational in October. With the addition of Mill Quarter, as of October 1, 2005, there are twenty three ramps in the parking system.

Revenues:

Year-to-date third quarter revenues for 2005 increased by \$600,000, or 2%, to just over \$35 million compared to third quarter revenue of \$34.4 million in 2004. This was mainly due to the increase in on-street parking where the revenues through the quarter increased to \$5 million compared to \$4.5 million in 2004. Revenues from towing, impound lot and off-street operations remained at 2004 levels. With State-owned facilities, the City's share of revenue is now limited only to the reimbursement for its direct expenses and overheads.



Outstanding bonds of the parking fund increased by \$20.7 million in 2005 with the sale of bonds for Riverfront of \$16.4 million and Mill Quarter ramp for \$4.3 million.

Parking Fund Workout Plan:

The City Council adopted a financial workout plan in 2004 and approved parking initiatives to cut costs and increase revenues. An annual update on the performance of the Workout Plan was submitted in July, 2005, for the year 2004 that included projection for years 2005 through 2010. Based on actual figures through the third quarter of 2005, the current update to the Workout Plan and specific performance includes:

Revenues:

- **Off-Street Parking and Enhanced Parking Ramp Marketing Activities:** An initiative to develop a logo and branding of the Municipal Parking system is underway and new signage will be installed in several facilities by year-end. In addition, the development of web-based solution for customer payment is being implemented and will be active in the next few months. The revenue estimates have not yet materialized, resulting in a shortfall of \$1.2 million compared to the workout plan target.
- **On-Street Parking and Parking Meter Management Plan:** Additional meter installations and rate adjustments, as part of new meter management plan, have generated a \$533,000 increase through the third quarter revenue over 2004. With \$5 million in revenue generated through third quarter, on-street revenues are projected to reach \$6.8 million for the year compared to year-end workout plan target of \$7.2 million, resulting in a shortfall of \$400,000. Further modifications are planned for the system to reach the workout plan target.

Summary:

The workout plan target aims to increase revenue by \$2.6 million and reduce costs by \$4.6 million by the end of 2005 for a \$7.2 million overall impact. Based on actual figures through third quarter, the revenue is projected to increase by \$600,000 and costs are projected to decrease by \$5.1 million compared to the original budget. The year-end projection falls short of workout plan target by \$2 million, or 4%, on the revenue side. However, the year-end projection surpasses the workout plan target by \$500,000, or 2%, in cost savings resulting in a total shortfall of \$1.5 million. This results in achieving \$5.7 million of the \$7.2 million target, or 79% of the goal.

**City Of Minneapolis
Solid Waste and Recycling Fund**

Fund 7700	2005 Budget	30-Sept-05 Actual	Remaining Budget	% of Actual To Budget	30-Sept-04 Actual
Operating Revenue	27,542,800	21,187,590	6,355,210	77%	20,667,099
Operating Expenditures	26,547,630	19,181,670	7,365,960	72%	18,010,981
Operating Margin	995,170	2,005,920			2,656,118
Net Income/(Loss)	(518,944)	843,132			1,397,506

Program Description:

This Fund accounts for the City's solid waste collection, disposal and recycling operations. This includes weekly trash and yard waste pickup, biweekly recycling and problem material (appliance) pickup and the operation of a solid waste transfer station for over 108,000 households. The Public Works Department also provides "clean city" activities such as neighborhood clean sweeps, litter and graffiti removal and litter control in business districts. City crews provide approximately one-half of the solid waste collection services and the other half of the services are provided through a contract with a consortium of companies specializing in waste collection.

Revenue:

The third quarter ended with \$21,187,590 of revenue in the Solid Waste and Recycling fund. That is 3% more revenue than the third quarter in 2004. The reason for the increase is due to a new recycling contract. The last rate increase of .75 cent occurred in 2003.

The revenue from recyclable sales is expected to be approximately 90% higher than budgeted also due to the recyclable contract. The county grant of \$544,000 will be received in the forth quarter.

Expenses:

The Solid Waste and Recycling fund expenses are currently \$19,181,670 an increase of about 6% from the third quarter in 2004, and that is due to an increase in cost for services provided by outside parties and contractors. Also, an increase in costs of some contractual services, such as liability insurance, property services rent, and other miscellaneous charges. Even with these increases, the fund is still expected to be within budget.

Transfers:

Transfers into the Solid Waste and Recycling fund include \$146,000 from the Parking fund for litter containers and \$50,000 from the General fund for graffiti removal. Transfers of \$700,000 to the General fund for alley plowing, and \$58,000 for MERF Unfunded Liability are transferred out of the fund.

Debt Service:

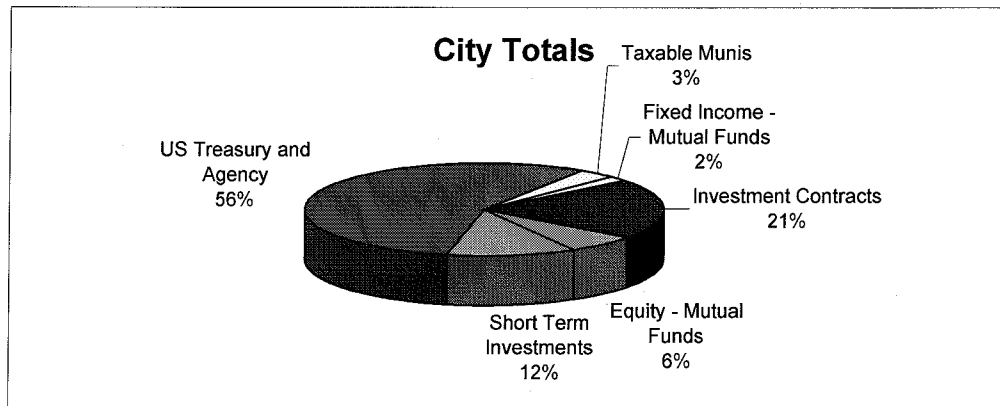
This fund has no debt service.

Other Financial Items:

The fund's cash balance at the third quarter is \$14.3 million. The accounts receivable balance is \$2.67 million. While the cash balance has increased from last year, the accounts receivable balance also slightly increased.

SEPTEMBER 2005 INVESTMENT REPORT

Portfolio Holdings	August 31, 2005		September 30, 2005	
	Market Value	% of Portfolio	Market Value	% of Portfolio
Short Term Investments	156,444,303	28%	51,434,004	12%
US Treasury and Agency	245,821,401	45%	246,258,914	56%
Taxable Munis	13,885,375	3%	14,053,368	3%
Fixed Income - Mutual Funds	7,057,102	1%	7,062,066	2%
Investment Contracts	99,342,410	18%	93,275,667	21%
Equity - Mutual Funds	28,045,484	5%	28,173,333	6%
Total Market Value	550,596,075	100%	440,257,352	100%



Fund Group	August 31, 2005		September 30, 2005	
	Balance	% of Pool	Balance	% of Pool
Convention Center	32,676,454	6%	30,377,884	7%
Other	12,203,057	2%	17,237,731	4%
Bond Proceed	144,132,165	26%	135,452,755	30%
Construction	(13,419,687)	-2%	(16,286,138)	-4%
Debt Service	114,435,084	21%	48,899,628	11%
Development	35,064,115	6%	39,432,937	9%
Enterprise	40,778,636	7%	28,320,295	6%
General	53,135,753	10%	42,802,301	10%
Internal Service	(7,503,506)	-1%	(8,184,520)	-2%
Library Board	2,544,134	0%	(2,179,363)	0%
Hilton Trust	39,304,243	7%	38,678,238	9%
NRP	47,447,016	9%	47,142,273	11%
Park Board	7,272,873	1%	2,783,967	1%
TIF	45,603,758	8%	40,424,606	9%
Total Pool	\$ 553,674,094	100%	\$ 444,902,594	

	ML 1-3 Treasury	
	Benchmark	City Portfolio
YTD Total Return	0.92	1.33
Comp Quality	TSY	AGY
Current Yield	3.64	3.63
Avg Maturity (Yrs)	1.77	1.77